

立法會  
*Legislative Council*

LC Paper No. CB(2) 191/10-11

Ref : CB2/H/5/10

**House Committee of the Legislative Council**

**Minutes of the 2nd meeting  
held in the Legislative Council Chamber  
at 2:30 pm on Friday, 22 October 2010**

**Members present :**

Hon Miriam LAU Kin-ye, GBS, JP (Chairman)  
Hon Fred LI Wah-ming, SBS, JP (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon LEE Cheuk-yan  
Dr Hon Margaret NG  
Hon James TO Kun-sun  
Hon CHEUNG Man-kwong  
Hon CHAN Kam-lam, SBS, JP  
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP  
Hon LEUNG Yiu-chung  
Dr Hon Philip WONG Yu-hong, GBS  
Hon WONG Yung-kan, SBS, JP  
Hon LAU Kong-wah, JP  
Hon LAU Wong-fat, GBM, GBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon LI Fung-ying, SBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Audrey EU Yuet-mee, SC, JP  
Hon Vincent FANG Kang, SBS, JP  
Hon WONG Kwok-hing, MH  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon CHEUNG Hok-ming, GBS, JP  
Hon WONG Ting-kwong, BBS, JP  
Hon Ronny TONG Ka-wah, SC  
Hon CHIM Pui-chung  
Prof Hon Patrick LAU Sau-shing, SBS, JP  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon Starry LEE Wai-king, JP  
Dr Hon LAM Tai-fai, BBS, JP  
Hon CHAN Hak-kan  
Hon Paul CHAN Mo-po, MH, JP  
Hon CHAN Kin-por, JP



Ms Clara TAM	Assistant Legal Adviser 9
Mr Anthony CHU	Senior Council Secretary(A)2
Ms Amy YU	Senior Council Secretary (2)3
Ms Judy TING	Council Secretary (2)6
Ms Anna CHEUNG	Senior Legislative Assistant (2)3
Mr Arthur KAN	Legislative Assistant (2)8

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**I. Confirmation of the minutes of the 1st meeting held on 15 October 2010**  
(LC Paper No. CB(2) 82/10-11)

The minutes were confirmed.

**II. Matters arising**

**Report by the Chairman on her meeting with the Chief Secretary for Administration ("CS")**

Introduction of bills

2. The Chairman said that she had relayed to the Acting CS Members' request for the Administration to provide its Legislative Programme for the current session as soon as possible. She had also urged the Administration to introduce bills as early as practicable and avoid bunching of bills at the end of the session or the Legislative Council ("LegCo") term.

3. The Chairman further said that the Legislative Programme for the current session was issued to Members vide LC Paper No. CB(2) 109/10-11 the day before the House Committee meeting. The Legislative Programme contained 20 bills, of which six were scheduled for introduction in the first half of the session, and the remaining 14 the second half of the session.

**III. Business arising from previous Council meetings**

**(a) Legal Service Division report on bill referred to the House Committee in accordance with Rule 54(4)**

**Legislation Publication Bill**  
(LC Paper No. LS 3/10-11)

4. The Chairman said that the Bill sought to establish an electronic database of legislation and an approved website for its publication. The Panel on Administration of Justice and Legal Services had been briefed on the modernized format and styles of legislation in December 2009 and had expressed support for the proposed electronic database in April 2010. Members had expressed some concerns and had received assurances by the Administration in allaying their concerns.

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5. Dr Margaret NG considered it necessary to form a Bills Committee to study the Bill.

6. The Chairman proposed that a Bills Committee be formed to study the Bill in detail. Members agreed. The following Members agreed to join: Mr Albert HO (as advised by Ms Emily LAU), Dr Margaret NG, Mr LAU Kong-wah and Dr Samson TAM.

7. The Chairman said that as there were vacant slots, the Bills Committee could commence work immediately.

**(b) Legal Service Division report on subsidiary legislation gazetted on 15 October 2010 and tabled in Council on 20 October 2010**  
*(LC Paper No. LS 2/10-11)*

8. The Chairman said that a total of 11 items of subsidiary legislation, including three Commencement Notices, and the Second Technical Memorandum for Allocation of Emission Allowances in Respect of Specified Licences ("Technical Memorandum"), were gazetted on 15 October 2010 and tabled in the Council on 20 October 2010.

9. Regarding the five items of subsidiary legislation relating to avoidance of double taxation, the Chairman said that they would come into operation on 9 December 2010. They were the Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with Respect to Taxes on Income) (Republic of Hungary) Order; Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital) (Republic of Austria) Order; Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains) (United Kingdom of Great Britain and Northern Ireland) Order; Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with Respect to Taxes on Income) (Ireland) Order; and Specification of Arrangements (The Mainland of China) (Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income) (Third Protocol) Order.

10. Mr James TO considered it necessary to form a subcommittee to study the five Orders.

11. The Chairman proposed that a subcommittee be formed to study the five Orders in detail. Members agreed. Mr James TO agreed to join.

12. Regarding the Waterworks (Amendment) Regulation 2010, the Chairman said that it sought to increase 16 items of charges by 9.8% to 16.2% and decrease two items by 13.4% and 82.1% respectively.

13. The Chairman further said that Mr Vincent FANG had indicated that he considered it necessary to form a subcommittee to study the Regulation.

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14. The Chairman proposed that a subcommittee be formed to study the Regulation in detail. Members agreed. The following Members agreed to join: Mr Tommy CHEUNG (as advised by the Chairman), Mr Vincent FANG (as advised by the Chairman) and Miss Tanya CHAN.

15. As regards the Deposit Protection Scheme (Representation on Scheme Membership and Protection of Financial Products under Scheme) (Amendment) Rules 2010, the Chairman said that they were to implement the arrangements introduced by the Deposit Protection Scheme (Amendment) Ordinance 2010 enacted in June 2010.

16. Ms Emily LAU said that Mr Albert HO had indicated that he considered it necessary to form a subcommittee to study the Rules.

17. The Chairman proposed that a subcommittee be formed to study the Rules in detail. Members agreed. Ms Emily LAU advised that Mr Albert HO had agreed to join.

18. Regarding the Technical Memorandum, the Chairman said that it sought to reduce from the emission year of 2015 the quantities of emission allowances for three specified pollutants allocated to power plants in Hong Kong.

19. Mr KAM Nai-wai considered it necessary to form a subcommittee to study the Technical Memorandum.

20. The Chairman proposed that a subcommittee be formed to study the Technical Memorandum in detail. Members agreed. The following Members agreed to join: Ms Audrey EU, Mr KAM Nai-wai and Miss Tanya CHAN.

21. The Chairman added that the LegCo Secretariat would issue circulars to invite Members to join the above subcommittees. Should less than three Members join a subcommittee by the deadline for signification of membership, the subcommittee would not be formed in accordance with the House Rules. Members noted the arrangement.

22. Members did not raise any queries on the other four items of subsidiary legislation.

23. The Chairman reminded Members that the deadline for amending these items of subsidiary legislation and the Technical Memorandum was 17 November 2010.

#### IV. Business for the Council meeting on 3 November 2010

(a) **Questions**

*(LC Paper No. CB(3) 68/10-11)*

24. The Chairman said that 20 questions (six oral and 14 written) had been scheduled for the meeting.

(b) **Bills - First Reading and moving of Second Reading**

25. The Chairman said that no notice had been received yet.

(c) **Government motion**

26. The Chairman said that no notice had been received yet.

(d) **Members' motions**

(i) **Motion on "Releasing LIU Xiaobo"**

*(Wording of the motion issued vide LC Paper No. CB(3) 80/10-11 dated 21 October 2010.)*

27. The Chairman said that the above motion would be moved by Mr WONG Yuk-man and the wording of the motion had been issued to Members.

(ii) **Motion to be moved by Hon CHAN Hak-kan**

28. The Chairman said that the subject of the motion to be moved by Mr CHAN Hak-kan was "Formulating an animal-friendly policy".

29. The Chairman reminded Members that the deadline for giving notice of amendments, if any, to the motions was Wednesday, 27 October 2010.

#### V. Report of Bills Committees and subcommittees

(a) **Report of the Bills Committee on Arbitration Bill**

*(LC Paper No. CB(2) 83/10-11)*

30. Dr Margaret NG, Chairman of the Bills Committee, reported that the Bills Committee had held 15 meetings and had completed its scrutiny work. She elaborated that the Bill sought to establish a unitary regime of arbitration which accorded with international arbitration practices for all types of arbitration, thereby abolishing the distinction between domestic and international arbitrations under the current Arbitration Ordinance (Cap. 341). She referred Members to the Bills Committee's report for details of its deliberations.

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31. Dr Margaret NG further reported that in the course of scrutiny, members had expressed concern about the impact of the proposed abolition of the domestic arbitration regime on the construction industry. The Administration had strived to resolve their concerns. Members and the construction industry considered the solution proposed by the Administration acceptable.

32. Dr Margaret NG added that the Administration would move Committee Stage amendments ("CSAs") in response to the concerns and views raised by members. It would also move technical and consequential amendments. The Bills Committee supported the CSAs to be moved by the Administration and the resumption of the Second Reading debate on the Bill at the Council meeting on 10 November 2010. She added that the deadline for giving notice of CSAs was 1 November 2010.

**(b) Continuation of work of subcommittees on policy issues**  
(*LC Paper Nos. CB(1) 120 and CB(2) 84/10-11*)

33. The Chairman said that the two sets of papers invited Members to note the latest progress of work of eight subcommittees on policy issues and to endorse their proposed continuation of work.

*Subcommittee to Study Issues Arising from Lehman Brothers-related Minibonds and Structured Financial Products ("the Lehman Brothers Subcommittee") under the House Committee*

34. Ir Dr Raymond HO, Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. He said that since its appointment, the Subcommittee had held 92 meetings, including 59 hearings which were mostly open hearings. The Subcommittee had completed its study on the regulatory framework governing the sale of structured financial products and had almost completed the taking of evidence from the senior management staff of six banks. The Subcommittee would proceed to the next phase of its work to obtain evidence from frontline staff of six banks in late November or early December 2010. Following that, arrangements would be made to summon affected investors to testify to the Subcommittee. The relevant preparatory work was now under way.

35. Ir Dr Raymond HO further said that the issues relating to the sale of Lehman Brothers-related structured financial products were complex and controversial, and there were still ongoing developments. Apart from the need to peruse a large volume of documents and conduct hearings on a frequent basis, the Subcommittee also had to deal with a number of complex legal and procedural issues involving claims of secrecy, sub-judice and public interest immunity. He stressed that the task of the Subcommittee was arduous.

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36. Ir Dr Raymond HO added that the Subcommittee planned to complete its Stage 2 study to receive evidence from all witnesses before the end of April 2011. It would then proceed to Stage 3 of its work to deliberate on the evidence obtained and work on its report with a view to submitting the report to the Council before July 2012. Having regard to the large amount of outstanding work to be dealt with by the Subcommittee, members agreed that the Subcommittee should continue its work in the 2010-2011 and the 2011-2012 sessions. He appealed to Members to support the proposed continuation of work of the Subcommittee.

37. Members agreed to the continuation of work of the Subcommittee for the remainder of the current term.

*Subcommittee on Matters Relating to Railways under the Panel on Transport*

38. The Chairman, in her capacity as the Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. She said that the Subcommittee was set up again in the current term in October 2008 to oversee matters relating to railways. Having regard to the wide range and complexity of the issues relating to the planning and implementation of new railway projects, the Panel on Transport considered it necessary to set up the subcommittee to focus discussion on railway related issues and to provide a platform for stakeholders to express their views.

39. The Chairman elaborated that in the 2009-2010 session, the Subcommittee had continued to follow up the planning, financing and implementation of new railway projects including the West Island Line, the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link, the South Island Line (East) and the Kwun Tong Line Extension. The Subcommittee had also actively followed up with problems relating to the operation of railways. Given that a number of new railway projects were under planning or construction, the Subcommittee considered it necessary to continue its work in the 2010-2011 and 2011-2012 sessions. The Panel on Transport supported the proposal. She appealed to Members to support the proposed continuation of work of the Subcommittee.

40. Members agreed to the continuation of work of the Subcommittee for the remainder of the current term.

*Subcommittee on Improving Air Quality under the Panel on Environmental Affairs*

41. Ms Audrey EU, Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. She said that the ambient air pollution problem had all along been a public concern. To enable more focused discussion on Government's efforts in addressing air pollution, the Panel on Environmental Affairs set up the Subcommittee in October 2008 to monitor and study policies as well as public concerns on improving air quality. In October 2009, the Panel decided that the Subcommittee should continue its work.



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42. Ms Audrey EU highlighted the issues studied by the Subcommittee in the 2009-2010 session. These included the progress of measures to achieve the emission reduction targets under the Pearl River Delta Regional Air Quality Management Plan, measures in addressing serious air pollution incidents, and the progress of review of Hong Kong's Air Quality Objectives.

43. Ms Audrey EU further said that in view of the many measures and initiatives being contemplated by the Administration in improving air quality, the Panel considered that the Subcommittee had provided a platform for more focused discussion on these measures and initiatives. She appealed to Members to support the proposed continuation of work of the Subcommittee in the 2010-2011 session.

44. Members agreed to the continuation of work of the Subcommittee.

*Subcommittee on Harbourfront Planning under the Panel on Development*

45. Prof Patrick LAU, Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. He said that the Subcommittee planned to continue its study on the following issues –

- (a) development of continuous waterfront promenades on both sides of the harbour;
- (b) revitalization or adaptive re-use of idle or under-utilized Government facilities on harbourfront sites;
- (c) wider application of the public-private-partnership approach in harbourfront development and management;
- (d) harbourfront initiatives under the consideration of the newly established Harbourfront Commission, such as enhancing accessibility to the Kai Tak waterfront and harbourfront developments in Kowloon, Tsuen Wan and Kwai Tsing;
- (e) review of the existing land use planning for a harbourfront site in Sham Shui Po;
- (f) waterfront development at West Kowloon Cultural District;
- (g) the role of the Development Opportunities Office in facilitating harbourfront development; and
- (h) the feasibility of establishing a harbourfront authority to oversee harbourfront planning, development and management in the long run.

Prof LAU said that the study of the above issues would take more than nine months. A duty visit would also be conducted during the period.

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46. Prof Patrick LAU added that the Panel on Development agreed at its meeting on 14 October 2010 that the Subcommittee should continue its work in the 2010-2011 session. He appealed to Members to support the proposed continuation of work of the Subcommittee.

47. Members agreed to the continuation of work of the Subcommittee.

*Joint Subcommittee to monitor the implementation of the West Kowloon Cultural District Project under the Panel on Home Affairs and Panel on Development*

48. Mr IP Kwok-him, Chairman of the Joint Subcommittee, explained the need for the continuation of work of the Joint Subcommittee. He highlighted the major issues followed up by the Joint Subcommittee in the 2009-2010 session. These included the appointment of the senior management of the West Kowloon Cultural District Authority ("WKCD"); the impact of the construction of the West Kowloon Terminus of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link on the West Kowloon Cultural District ("WKCD") development; the outcome of the Stage One Public Engagement ("PE") Exercise; and the development of cultural software to complement the WKCD project. The Joint Subcommittee had also been briefed on the Conceptual Plan Options of the WKCD by the three Conceptual Plan Consultants, and had met with the newly-appointed Chief Executive Officer of WKCD to gain a better understanding of his vision on the development of the WKCD project.

49. Mr IP Kwok-him further said that most of the issues highlighted above were ongoing issues the development of which would have a significant bearing on the implementation of the WKCD project. In addition, the development of WKCD had reached or would soon reach some important milestones: WKCD had rolled out a three-month Stage Two PE Exercise to gauge the views of the public on the Conceptual Plan Option which was most acceptable to the public, and could serve as the foundation of the Development Plan for WKCD; and the Project Consultant would develop the detailed Development Plan on the basis of the selected Conceptual Plan Option for public consultation in Stage Three PE Exercise tentatively scheduled for 2011. The Joint Subcommittee would need to continue to monitor the development of these issues which were within the purview of its terms of reference.

50. Mr IP Kwok-him added that having regard to the above considerations, the Panel on Home Affairs and the Panel on Development agreed that the Joint Subcommittee should continue its work according to its existing terms of reference in the 2010-2011 session.

51. Members agreed to the continuation of work of the Joint Subcommittee.

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*Subcommittee to Study Issues Relating to Mainland-HKSAR Families under the House Committee*

52. Mr LEE Cheuk-yan, Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. He said that the Subcommittee had held 13 meetings since its appointment in January 2009. The Subcommittee had drawn up a number of recommendations to improve the One Way Permit ("OWP") and the Two Way Permit Schemes to facilitate the reunion of Mainland residents with their families in Hong Kong for the Administration's consideration and follow-up. The Administration had advised that as its exchanges with the Mainland authorities were still ongoing, it was not in a position to provide a conclusive response to the Subcommittee's recommendations. The Administration had also advised that it was discussing with the Mainland authorities on the arrangements pertinent to Mainland "overage children" of Hong Kong residents applying for OWP for settlement in Hong Kong. Having regard to the increasing number of cross-boundary marriages, the Subcommittee had requested the Administration to review the existing population policy and its impact on local families with members from the Mainland.

53. Mr LEE Cheuk-yan further said that the Subcommittee agreed that it should continue its work and follow up with the Administration on measures to improve the existing policies with a view to facilitating the reunion of Mainland-Hong Kong families. He appealed to Members to support the proposed continuation of work of the Subcommittee in the 2010-2011 session.

54. Members agreed to the continuation of work of the Subcommittee.

*Joint Subcommittee on Amendments to Land Titles Ordinance under the Panel on Development and Panel on Administration of Justice and Legal Services*

55. Dr Margaret NG, Chairman of the Joint Subcommittee, explained the need for the continuation of work of the Joint Subcommittee. She said that the Land Titles Ordinance (Cap. 585) ("LTO") was an important piece of legislation with far-reaching effects on the property rights of Hong Kong people. However, LTO had yet to be commenced since its enactment in 2004. Having regard to the large number of amendments to LTO which had to be made by the Administration before the implementation of LTO, as well as the wide range, complexity and far-reaching implications of such amendments, the Panel on Development and the Panel on Administration of Justice and Legal Services had appointed in January 2009 the Joint Subcommittee to monitor the Administration's work on the preparation of the relevant legislative amendments.

56. Dr Margaret NG further said that the Joint Subcommittee had held eight meetings and had studied the issues relating to the conversion mechanism provided for under the LTO; the mandatory rectification rule under which an innocent former owner would be restored as owner if he lost his title by or as a result of fraud; and determination of land boundaries. During the deliberations of the Joint Subcommittee, the relevant stakeholders had

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expressed strong but divergent views on the arrangements relating to the mandatory rectification rule. The professional bodies concerned had also raised various issues of concern. Given the many outstanding matters which required careful study by the Joint Subcommittee, members considered it necessary for the Joint Subcommittee to continue its work. She appealed to Members to support the proposed continuation of work of the Joint Subcommittee in the 2010-2011 session.

57. Members agreed to the continuation of work of the Joint Subcommittee.

*Subcommittee on Combating Fly-tipping under the Panel on Environmental Affairs*

58. Mr LEE Wing-tat, Chairman of the Subcommittee, explained the need for the continuation of work of the Subcommittee. He said that the Panel on Environmental Affairs decided in March 2009 to set up a subcommittee to enable focused discussion on Government's efforts in tackling fly-tipping activities, review the existing policies on enforcement against such activities and suggest improvement measures as and when necessary.

59. Mr LEE Wing-tat highlighted the various issues studied by the Subcommittee in the 2009-2010 session. These included enhanced control measures against the depositing of construction and demolition materials, legislative proposals, and illegal road openings intended for fly-tipping. As fly-tipping and illegal land filling activities were still rampant, the Panel considered that the Subcommittee provided a platform for more focused discussion on the relevant issues. He appealed to Members to support the proposed continuation of work of the Subcommittee in the 2010-2011 session.

60. Members agreed to the continuation of work of the Subcommittee.

**VI. Position on Bills Committees and subcommittees**

*(LC Paper No. CB(2) 85/10-11)*

61. The Chairman informed Members that there were 13 Bills Committees, 11 subcommittees under the House Committee (i.e. eight subcommittees on subsidiary legislation and three subcommittees on policy issues) and eight subcommittees under Panels in action.

**VII. Election of members of The Legislative Council Commission**

*(LC Paper No. AS 23/10-11)*

62. The Chairman said that The Legislative Council Commission Ordinance provided that the membership of the Commission included the President of LegCo, the Chairman and the Deputy Chairman of the House Committee, and not more than 10 other members elected by and from amongst LegCo Members.

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63. The Chairman further said that nine valid nominations for election to The Legislative Council Commission had been received by the deadline of 18 October 2010. The Chairman asked whether there were any further nominations.

64. After ascertaining that there was no further nomination, the Chairman declared the following nine nominees elected as members of The Legislative Council Commission -

Mr LEE Cheuk-yan  
Dr Margaret NG  
Dr Philip WONG  
Ms Emily LAU  
Mr Andrew LEUNG  
Mr WONG Ting-kwong  
Prof Patrick LAU  
Ms Cyd HO  
Mr IP Kwok-him.

**VIII. Proposal of Hon Emily LAU Wai-hing concerning the appointment of a select committee to inquire into issues relating to the omission by Hon LAU Wong-fat to register certain interests in his capacity as an Executive Council member**

*(Letter dated 15 October 2010 from Hon Emily LAU Wai-hing to the Chairman of the House Committee (LC Paper No. CB(2)88/10-11(01))*

65. At the invitation of the Chairman, Ms Emily LAU briefed Members on her captioned proposal. She said that she was not requesting the immediate appointment of a select committee to inquire into issues relating to the omission by Mr LAU Wong-fat to register certain interests in his capacity as an Executive Council ("ExCo") member. She had raised her concern about the matter twice at the meeting of the Panel on Constitutional Affairs ("CA Panel") on 14 and 18 October 2010. She had also written to the Chief Executive ("CE") to request an investigation into the matter and to release the outcome of the investigation. She considered that the CA Panel should then discuss the outcome of the investigation. At the CE's Question and Answer Session held on 14 October, CE indicated that the Office of the CE was reviewing the matter. She found it perplexing for CE to have said even before the completion of the review that he considered that Mr LAU had not violated the relevant requirements but that the guidelines for declaration of registrable interests of ExCo members would be revised.

66. Ms Emily LAU further said that at the meeting of the CA Panel held on 14 October, the Chairman of the Panel and Mr IP Kwok-him were of the view that the Panel could only discuss the system for declaration of registrable interests of ExCo members but not individual cases. They suggested that she should raise the matter with the House Committee. While noting that the Committee on Members' Interest was handling complaints in relation to Mr LAU Wong-fat's omission to register interests in his capacity as a LegCo

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Member, she considered that there should be a platform for following up his omission to register certain interests in his capacity as an ExCo member and members of the public were owed an explanation of the matter. She raised the matter again at the meeting of the CA Panel on 18 October. The Secretary for Constitutional and Mainland Affairs then responded that the matter fell within the purview of the Office of the CE. She was concerned that the matter was referred back and forth from one authority to another. She stressed the need for LegCo to follow up the matter and to avoid sending a wrong message to the public that LegCo was not in a position to handle it. In her view, the appropriate platform to follow up the matter was the CA Panel. She could not accept that Panels could only discuss policy issues but not individual cases of grave public concern. As far as she knew, many Panels had discussed individual cases in the context of examining policy issues. She had therefore raised the matter to the House Committee to seek Members' view on the proper platform to follow up the matter.

67. As background information, the Chairman said that Ms Emily LAU had sent a letter dated 5 October 2010 to the Chairman of the CA Panel on the matter. The CA Panel considered Ms LAU's letter at its meeting on 18 October. The Administration had undertaken to provide a paper relating to the declaration of interests by ExCo members for discussion at the Panel meeting on 15 November and to convey to the Office of the CE Ms LAU's request for information on the outcome of the review on the case of Mr LAU Wong-fat.

68. Mr James TO said that it had all along been the practice of members to quote and make reference to individual cases when Panels discussed the relevant policy issues. Individual cases provided factual information and solid bases for examining the merits and loopholes of policies and systems. He quoted some examples to show that individual cases had been used by members to illustrate policy and systemic issues at Panel meetings, such as the police's handling of the demonstrations on 1 October 2010 and the fatal falling gate incident at a hostel of the Social Welfare Department. On some occasions, the Administration even provided preliminary findings of its investigations into individual cases to substantiate its proposals in the course of discussion on policy issues by Panels. Mr TO further said that since the CA Panel had already scheduled to discuss the declaration of interests by ExCo members at its meeting in November, it was logical for members to quote the case of Mr LAU Wong-fat in the discussion. Should the Chairman of the CA Panel consider it inappropriate for the case of Mr LAU Wong-fat to be quoted in the discussion, he would have to explain why as this would deviate from the usual practice. In his view, the matter should be settled at the Panel level.

69. Mr IP Kwok-him said that he agreed with the view that individual cases could be used to illustrate policy issues at Panel discussion. This was what he and the Chairman of the CA Panel had expressed at the Panel meeting. What he disagreed with was for the Panel to inquire into the case of Mr LAU Wong-fat. He pointed out that the CA Panel had already scheduled to discuss the declaration of interests by ExCo members at its next regular meeting, and the Administration had agreed to explain the relevant policy and mechanism.

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He stressed that the CA Panel would discuss the policy issues but should not inquire into the particular case.

70. Mr LEUNG Kwok-hung considered it odd that Members should resort to different ways to handle the cases of Mr KAM Nai-wai and Mr LAU Wong-fat. He was concerned that the mechanism under Rule 49B(2A) of the Rules of Procedure ("RoP") was invoked to inquire into the case of Mr KAM Nai-wai which he considered was minor in nature. However, the case of Mr LAU Wong-fat seemed to be more serious in nature but the same mechanism was not proposed to be invoked.

71. The Chairman said that the proposal under discussion was not concerned with RoP 49B(2A). Mr LEUNG Kwok-hung might raise his proposal for handling the case of Mr LAU Wong-fat for discussion by the House Committee at another meeting.

72. The Chairman further said that she was present at the relevant CA Panel meetings when the subject was raised, and she reckoned that there might be some misunderstanding. While Panels were the dedicated forum to discuss Government policies, it had all along been the practice for members to quote individual cases as illustrated examples in the context of discussing policies at Panel meetings. The CA Panel would be requested to follow up the matter based on this understanding.

73. Ms Emily LAU sought clarification that the CA Panel would discuss the outcome of the review on the case of Mr LAU Wong-fat and the paper relating to the declaration of interests by ExCo members to be provided by the Administration.

74. The Chairman reiterated that the principle was that members could quote individual cases as illustrated examples in the context of discussing policies at Panel meetings. However, Panels should not inquire into individual cases. As to the extent of discussing the case of Mr LAU Wong-fat in the context of considering declaration of interests by ExCo members at the CA Panel meeting, it would be for the Panel Chairman to draw the line.

75. Ms Emily LAU considered it necessary to discuss the outcome of the review on the case of Mr LAU Wong-fat.

76. Mr James TO said that members of the CA Panel could consider requesting the Administration via the Panel Clerk and with the consent of the Panel Chairman to provide certain information concerning the case of Mr LAU Wong-fat in its paper(s) to be provided to the Panel. He opined that should the Administration refuse to provide the requisite information and should members consider that public interest was at stake, LegCo could consider appointing an investigation committee to inquire into the case. In his view, Mr LAU should be ready to give his account of the case at the CA Panel meeting for clarification purpose.

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77. Mr IP Kwok-him said that the CA Panel would discuss the relevant policy but would not inquire into the particular case. Should Members consider it necessary to inquire into the case, they should pursue it at other platforms.

78. In concluding the discussions, the Chairman said that the concerted view was that the case of Mr LAU Wong-fat could be used as illustration in the context of discussing declaration of interests by ExCo members at the CA Panel meeting on 15 November 2010.

**IX. Proposal of Hon James TO Kun-sun concerning the appointment of a select committee to inquire into issues relating to the transfer of customers' personal data by commercial organizations**

*(Letter dated 19 October 2010 from Hon James TO Kun-sun to the Chairman of the House Committee (LC Paper No. CB(2)88/10-11(02))*

79. At the invitation of the Chairman, Mr James TO said that he had requested discussion on his proposal for the appointment of a select committee as it had been an established practice for such a proposal to be discussed first by the House Committee. His letter to the Chairman of the House Committee had provided a gist of the subject matter without attaching all relevant papers. Should the House Committee agree to his proposal, the motion to seek the Council's authorization for the appointment of the select committee could be moved by the Chairman of the House Committee and the Secretariat could assist in drawing up its proposed terms of reference. On the other hand, should the House Committee not support his proposal, he would draw up and notify Members of the terms of reference of the proposed select committee and he would move a motion in the Council for its appointment.

80. Mr James TO then elaborated on the reasons for his proposal. He said that some Members might consider that the Octopus incident had already come to an end and question the need for conducting an inquiry, given that the Hong Kong Monetary Authority ("HKMA") had required the Octopus Cards Limited ("OCL") to submit a report on the incident prepared by independent auditors, the Privacy Commissioner for Personal Data ("PCPD") had released the investigation report on the incident and the OCL had indicated that it accepted the recommendations in the PCPD report and had no plan to seek judicial review of the findings in the report. He further said that Mr WONG Kwok-hing had written in early October to the Chairman of the House Committee requesting discussion on his proposal to seek LegCo's authorization to exercise the powers conferred under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) to order the OCL to produce certain documents, but Mr WONG had subsequently withdrawn his letter. Mr TO explained that he had proposed the appointment of a select committee to inquire into the matter because some of the documents requested by Mr WONG Kwok-hing, including those concerning the involvement and responsibility of the MTR Corporation Limited ("MTR") in the Octopus incident, had not been provided to Members and some information in the



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documents provided had been obliterated. Moreover, some of the documents were provided for Members' perusal on a confidential basis and could not be cited by Members. He had written to CE during the summer recess requesting the appointment of an inquiry committee chaired by a judge to investigate into the matter and to make public the inquiry report. In his reply, CE had merely stated that PCPD's investigation report was awaited and had not indicated whether he would appoint an inquiry committee. While he planned to write to CE again on the matter, he noted that during the debate on the motion on "Improving personal data privacy protection" at the Council meeting on 20 October 2010, the Secretary for Constitutional and Mainland Affairs had indicated that CE would not appoint an inquiry committee. That being the case, the Octopus incident would be left unsettled unless LegCo decided to inquire into it.

81. Mr James TO further said that for cases involving transfer of personal data in sectors which were subject to regulation, the regulatory authorities might exercise their powers to compel the organizations concerned to produce all relevant information. However, HKMA had refused to make public information relating to the transfer of personal data by a number of banks. There were also sectors such as restaurants, supermarket chains and personal care shops which possessed a large amount of personal data of customers but were not subject to regulation. There was no way to gauge the seriousness of the existing problem of transfer of customers' personal data. He stressed that without factual bases on the current situation, it would not be possible to amend the Personal Data (Privacy) Ordinance ("PDPO") (Cap. 486) to plug the existing loopholes effectively and strike a proper balance between protecting the public's right to privacy and the interests of practitioners in the direct marketing industry. He invited Members' views on his proposal.

82. Mr Ronny TONG said that he had all along held the view that LegCo should not invoke its power lightly to investigate into commercial organizations unless it was absolutely necessary. The Octopus incident had caused wide public concern. In his view, the prime culprit was the Administration, and not the commercial organizations concerned, as the root cause of the problem lay in the deficiencies of PDPO which lacked deterrent effect. As PDPO had conferred PCPD with investigative power, LegCo would be doing the work of PCPD if LegCo was to inquire into the matter. He pointed out that in the past six years, PCPD had received a total of 12 complaints against OCL for infringement of personal data privacy; but PCPD had not issued enforcement notices in any of the cases. He considered that LegCo should inquire into the handling of PCPD instead. Given that the Office of PCPD was a public body, and not a commercial organization, the investigation by LegCo was reasonable. He added that should Mr James TO revise his proposal to request LegCo to inquire into whether PCPD had fulfilled his statutory functions on protection of personal data in his handling of the complaint cases against OCL in the past six years, he would fully support the proposal.

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83. Mr Abraham SHEK declared interest as a non-executive director of MTR. He said that the Board of Directors of MTR had been fully apprised of the Octopus incident. In his view, given that all the relevant documents had been made public, he did not consider it necessary to further investigate into the incident.

84. Mr CHAN Kam-lam shared the views expressed by Mr Ronny TONG. He said that under the existing law, commercial organizations were allowed to collect and use personal data, and it was the responsibility of PCPD to monitor their compliance with the relevant data privacy protection requirements. As a large number of commercial organizations, irrespective of their size, possessed a large amount of personal data of their customers, he questioned whether LegCo had the resources and the expertise to investigate into all such organizations, and whether there was a need to do so. He considered that such investigation work should be undertaken by PCPD, the statutory authority entrusted with the duty to protect personal data privacy. In his view, PCPD should be the major one to be blamed for the Octopus incident. He pointed out that OCL had been selling personal data for many years, and PCPD had written to OCL a number of times requesting it to take remedial measures which had been taken. In his view, the blame should not be imputed to OCL solely, and the responsibility should also rest with the former PCPD who should have done more in ensuring data privacy protection. He stressed that LegCo should not take over the enforcement work of PCPD.

85. Mr LEE Wing-tat said that he was shocked to hear the view that PCPD should be the major one to be blamed. He considered it unreasonable to criticise the former PCPD instead of OCL which had made a profit of some \$40 million by selling its clients' personal data. He noted the self-description of the former PCPD as a toothless tiger because of insufficient power under PDPO. While he would accept the view that the former PCPD should have done a better job and should have taken more high-profile actions to raise public awareness on privacy protection, he found it grossly unacceptable for the truth to be reversed by laying the blame on the former PCPD.

86. The Chairman reminded Members to focus their discussion on the proposal raised by Mr James TO for the appointment of a select committee to inquire into issues relating to the transfer of customers' personal data by commercial organizations.

87. Mr CHAN Kam-lam clarified that he had not said that OCL was not to be blamed for its handling of its customers' personal data. He considered that the former PCPD should be the major one to be blamed because he had not done his work properly at the outset.

88. Mr LEUNG Kwok-hung agreed that as a general principle, LegCo should monitor the work of the Administration and public bodies and not commercial organizations. Nevertheless, he considered that LegCo should inquire into the matter as both OCL and PCPD were at fault. He opined that LegCo had unlimited powers, albeit that such powers must be exercised reasonably and for the sake of justice. He considered that the matter was

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serious as it had pointed to the deficiencies in the existing legislation and Members, being the representatives of the people, had a duty to inquire into the matter. The conduct of an open and fair inquiry would help do justice to the parties concerned. As in the case of any other select committees, the inquiry would be evidence-based. After the proposed select committee had obtained and analysed the relevant information, it would identify the witnesses to be summoned and then deliberate on the evidence obtained before reaching its conclusions. He further said that a select committee was not a court, and it would only issue a report on its findings. Any party against whom adverse comments were made in the report could issue a statement in response or even initiate judicial proceedings to seek remedies. While agreeing with the view that LegCo should not lightly conduct inquiries into commercial organizations, he considered the conduct of an inquiry into the matter necessary given the sale of clients' personal data by OCL and other commercial organizations. In his view, the inquiry should focus on large commercial organizations, and this would have a deterrent effect on the small ones. He supported the proposal for the appointment of a select committee should the commercial organizations concerned, the Administration and PCPD refuse to provide the relevant information.

89. Mr James TO said that he was surprised to hear the view that the former PCPD should be the major one to be blamed in the Octopus incident. Neither did he agree with Mr Ronny TONG for the focus of the inquiry to be changed to an inquiry into whether the former PCPD had been derelict in his duties. He considered it grossly unjust to impute the blame mainly to the former PCPD who had expressed his concern for several years to Members about inadequate power and resources in discharging his work. He clarified that the objective of his proposal was not to inquire into each and every commercial organization to find out which ones were at fault, nor did he seek to pinpoint large commercial organizations. Rather, the proposed inquiry sought to facilitate Members in obtaining a good grasp of the current situation in respect of the transfer and sale of personal data, such as whether the problem was confined only to a few sectors or was wide-spread in various sectors, and the number of employees involved in direct marketing. He pointed out that as large commercial organizations likely possessed a large amount of personal data, understanding their handling of such information would help shed light on the prevalence of the problem in a particular sector. He stressed that without getting hold of factual information on the current situation, it would not be possible to strike a proper balance in amending PDPO.

90. Mr IP Kwok-him said that as the issue under discussion was the proposal for the appointment of a select committee to inquire into issues relating to the transfer of customers' personal data by various sectors, he did not consider it appropriate to change the focus of the discussion to OCL or PCPD. He added that Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong did not consider that a select committee should be appointed at the present stage to inquire into the transfer of customers' personal data by commercial organizations.

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91. Mrs Sophie LEUNG said that Hong Kong should be proud of the achievement of OCL in the development of its smart-card system in such a short period of time. She recalled that back in around 2002, she had expressed in the Council the view that Hong Kong should promote the development of debit cards, and Octopus was a form of debit cards. She pointed out that the Panel on Information Technology and Broadcasting had discussed on various occasions issues relating to the retention of personal data in the new information era. Nevertheless, the severity of the problem of transfer of personal data had not been foreseen and there were deficiencies in the existing legislation. In her view, Members should not investigate into the Octopus incident which occurred under such circumstances. She did not consider that the proposed select committee should be appointed. She shared Mr Ronny TONG's views, and opined that the development of internet sales was an inevitable trend in the business sector. Members should be forward looking and focus on improvement measures to be taken in the face of the new trend. She added that LegCo should avoid sending a wrong message to the public that Members had unlimited powers.

92. Mr Paul TSE stressed the importance of learning from past mistakes. He said that problems relating to personal data protection in the new information era had not been foreseen when PDPO was enacted years ago, and many overseas jurisdictions were tackling the same problems. He had reservation about the proposal for the appointment of a select committee for several reasons. He elaborated that he shared the view that LegCo should not lightly conduct inquiries into commercial organizations. He was concerned about the wide scope of the proposed inquiry to cover various sectors, and did not agree to the need to investigate into each and every commercial organization for the purpose of forming the basis for amending the relevant legislation. He pointed out that the Octopus incident had already highlighted the gravity of the problem and had pressed the Administration to take actions. The Administration had responded quickly and had made proposals to amend the law. In his view, Members should expedite the relevant legislative work to plug the existing loopholes, instead of wasting time to further inquire into the incident. During LegCo's scrutiny of the legislative amendments, the stakeholders concerned and the affected trades would have the opportunity to express their views and concerns to Members. He shared the view that LegCo's investigative powers should not be exercised lightly. Should such powers be used inappropriately, LegCo's credibility would be tarnished. He noted that 27 members had joined the Lehman Brothers Subcommittee when it was formed but its current membership was only 18. He surmised that some Members might have joined the Subcommittee because of perceived advantages. This, in his view, would impair LegCo's credibility. He added that in considering the proposal for the appointment of a select committee, Members should also take into account the number of investigative committees currently in action. Apart from the two committees which had been appointed and authorized to exercise the powers conferred under Cap. 382, an investigation committee established under RoP 49B(2A) was also currently in operation. Having regard to the above considerations, he had grave reservation about the proposal.

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93. Mr Ronny TONG said that Members should not impute improper motives to other Members. He considered it inappropriate to surmise that Members had joined a committee for the sake of gaining certain advantages.

94. The Chairman reminded Members that they should not impute improper motives to other Members.

95. Dr Margaret NG noted that there were reports in newspapers on Members' withdrawal of membership from the Lehman Brothers Subcommittee, which had affected LegCo's credibility. She clarified that when the Subcommittee was appointed under the House Committee in response to wide public concern about issues arising from the Lehman Brothers-related minibonds, it did not have the powers under Cap. 382. Subsequently, it had been conferred with such powers, and public hearings were held to obtain evidence from witnesses. There was a concern that a large membership might affect the effective operation of the Subcommittee during the conduct of public hearings, and some members had therefore voluntarily withdrawn from it. She considered it necessary to take the opportunity to clarify the matter to the public and the media.

96. Mr CHAN Kin-por said that the business sector felt aggrieved in the Octopus incident. He pointed out that commercial organizations had sought legal advice to ensure compliance with PDPO before implementing initiatives involving the use of personal data. He questioned how PCPD, having operated for more than 10 years and receiving some 900 cases of complaints each year, could have failed to identify systemic errors such as the font size of the relevant terms being too small and customers not being advised of the terms on the use of personal data. In his view, PCPD should shoulder the major responsibility in the Octopus incident. He considered that it was not a question of resources, but whether PCPD had the will to do the work, as shown in his completion of the investigation report on the Octopus incident and issuance of the new guidelines without obtaining any additional resources. Mr CHAN did not consider it necessary to inquire into the matter, given that PCPD had issued new guidelines to provide practical guidance on the collection and use of personal data in direct marketing and the Administration was also working on legislative amendments to tighten the regulation of direct marketing activities. He stressed that commercial organizations had made their best effort to comply with the law, but some of them were still found to have contravened the requirements due to the lack of clarity in PDPO. He considered that it would be more constructive for Members to focus their work on the legislative amendments to be made to PDPO.

97. Mr WONG Ting-kwong said that one of the main functions of the Legislature was to monitor the Administration's work. He did not consider it appropriate for LegCo to appoint a select committee to take over the work of the Administration to look into the matter. Noting that the Administration had already been working on measures to enhance protection of personal data privacy, including proposing amendments to PDPO, he opined that Members would have ample opportunity to express their views on the matter during the scrutiny of the legislative proposals. During the recent motion debate on the

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subject of improving personal data privacy protection, he had made clear his objection to the proposal for appointing a select committee to inquire into the matter. He considered that it would be more fruitful for Members to be more vigilant in their scrutiny of the legislative proposals in future.

98. Dr Priscilla LEUNG opined that Members should not take the approach of apportioning blame for the Octopus incident. According to her experience, the office of PCPD had provided substantive assistance in many cases. She respected the work done by the office of PCPD and considered it unjust to criticize the office for not discharging its responsibilities. During the motion debate on "Improving personal data privacy protection" at the Council meeting on 20 October, she had indicated that she did not agree with some of the recommendations in PCPD's investigation report on the Octopus incident. Nevertheless, she considered that PCPD was sincere in making the recommendations. In her view, as the problem of transfer of personal data had not been foreseen in enacting PDPO, the constructive approach would be for Members to focus on the proposals for amending PDPO to plug the existing loopholes. Noting that the proposed inquiry would cover the banking sector, the telecommunications sector, the insurance sector as well as other chain stores which had collected personal data of the public through reward programmes, she was concerned about its wide scope, which would create panic. She believed that the relevant trades had been paying close attention to the proposed amendments to PDPO and were reviewing the relevant practices in their operation. She considered it inappropriate for LegCo to take up the enforcement work of investigating into the operation of various trades. She expressed objection to the proposal.

99. Ms Audrey EU said that Members belonging to the Civic Party considered that OCL was different from other commercial organizations in that MTR was a major shareholder of the company and two Directors of Bureau were members of the Board of MTR. It appeared that the sale of customers' personal data had been part of the core business of OCL. Members belonging to the Civic Party were of the view that the Octopus incident involved not only the transfer and sale of personal data, but also the question of responsibility of the Governments officials concerned and the public's right to know. They therefore supported the conduct of an inquiry into the Octopus incident. However, Mr James TO's proposal was not to inquire into the Octopus incident, but the transfer of customers' personal data by commercial organizations. They considered the scope of the proposed inquiry too wide. They were concerned that it would be difficult to draw the line on which organizations should be covered in the inquiry. It was also not clear whether the purpose of the proposed inquiry was to find out how prevalent the problem was or which organizations had contravened the data protection requirements. Having regard to these concerns, they would not support Mr James TO's present proposal. Should Mr James TO revise his proposal to request LegCo to inquire into the question of responsibility in the Octopus incident, they would support the proposal.

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100. Ms Emily LAU believed that Mr James TO's proposal for the appointment of a select committee reflected the views and request of many members of the public. She noted the public concern about the investigations currently carried out by the office of PCPD into a number of banks and telecommunication companies. She believed that the Octopus incident was only the tip of an iceberg, and considered it necessary to inquire into the matter. She found it unjust and unacceptable to impute the blame mainly to the former PCPD.

101. Mr Ronny TONG clarified that the views he had expressed earlier at the meeting were based on Mr James TO's proposal for the appointment of a select committee to inquire into the transfer of customers' personal data in various sectors, and not the Octopus incident. He pointed out that under section 34 of PDPO, a data user who used the personal data of a data subject for direct marketing purposes must inform the data subject on the use of his personal data. As there were statutory provisions regulating the use of personal data in direct marketing, the problem lay in the enforcement of such provisions. As such, he considered that PCPD should bear responsibility for the Octopus incident. While the office of PCPD might not have adequate resources to investigate into various trades, he believed that it had the resources to investigate into the Octopus incident. Referring to the 12 cases of complaints against OCL received by the office of PCPD in the past six years, he opined that had PCPD issued an enforcement notice to OCL for contravention of section 34 of PDPO, the Octopus incident might not have occurred. While he would not go so far as to impute the major blame to PCPD, he considered that PCPD should bear no light responsibility in the matter.

102. Mr LEE Wing-tat expressed concurrence with Ms Emily LAU's views. He said that it had been the practice for LegCo or its committees to give an opportunity to Government officials or other parties to respond before laying criticism on them. During the relevant Panel meetings held in the past which were attended by the former PCPD, no Member had made any criticism against him. Neither had any such criticism been made during the motion debate on "Improving personal data privacy protection" at the Council meeting on 20 October. He considered it unjust for Members to criticize the former PCPD in his absence at the House Committee meeting. In his view, an inquiry should be conducted into the matter to provide an opportunity for the former PCPD to respond to the criticisms made against him. He opined that Mr CHAN Kam-lam should extend an apology to the former PCPD for criticizing him openly in his absence.

103. The Chairman reminded Members again that they should focus their discussion on the proposal raised by Mr James TO for the appointment of a select committee to inquire into issues relating to the transfer of customers' personal data by commercial organizations.

104. Mr CHAN Kam-lam said that he would not make any apology.

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105. Mr LEUNG Kwok-hung noted some Members' concern about the wide scope of the proposed inquiry and agreed that such concern should be addressed. However, he did not subscribe to the view that it was not necessary to conduct an inquiry into the matter on the grounds that Members had obtained adequate information and the Administration had made proposals to amend the law. In his view, Members had not been provided with the requisite information. During the legislative process, there was little chance for CSAs to be moved by Members to be passed. There should, therefore, be a platform to enable the public to get to the truth of the matter. He considered that there was a prima facie case for the appointment of a select committee and Members could discuss how to narrow down the scope of the proposed inquiry. He added that the number of Members joining the select committee, if appointed, would be indicative of whether there was sufficient basis for its appointment.

106. Ms Starry LEE said that each Member had his own judgment on a matter. Mr CHAN Kam-lam had expressed his views and judgment on the matter. She considered it grossly unjust for other Members to pinpoint at his comments. She appealed to Members to focus their discussion on Mr James TO's proposal.

107. Mr James TO said that Mr Ronny TONG had suggested at the start of the discussion that the focus of the inquiry should be to investigate whether the former PCPD had discharged his responsibilities. Mr CHAN Kam-lam shared Mr Ronny TONG's view and considered that that the former PCPD should be the major one to be blamed. Noting some Members' concern about the wide scope of his proposed inquiry, he might consider narrowing it down. He clarified that his intention was not to inquire into individual cases to ascertain whether certain commercial organizations had contravened the relevant requirements. Rather, what he had in mind was to conduct a mandatory survey to gauge the current situation. At present, neither the office of PCPD nor the Administration had the power to do so. He noted that Members belonging to the Hong Kong Federation of Trade Unions had not spoken on the matter at the meeting and he would ascertain their views after the meeting. He would narrow down the scope of his proposed inquiry in the light of Members' views and submit another proposal to the House Committee for discussion.

108. In response to the Chairman, Mr James TO confirmed that he would not request the House Committee to make a decision on his present proposal as set out in his letter to the Chairman.

**X. Any other business**

109. There being no other business, the meeting ended at 4:12 pm.